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agricultural marketing

Good Morning!
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Contents

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Cover page

As important as sunrise to the making of a perfect day, is the return of the abundant breakfast table to America's family fare. Right now, our school-going population runs to something like 45 million youngsters. And many millions of these have fallen into the habit either of skipping breakfast entirely, or not taking time to eat a well-balanced meal to start their day off right, nutritionwise. This is of concern to parents as good nutrition promotes good health and malnutrition can be an obstacle to learning.

The decline of today's breakfast habits offers not only an important challenge to parents but to American agriculture as well. Getting America back to the good breakfast habit offers unlimited marketing opportunities for individuals and groups interested in increasing the domestic demand for farm foods.

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Good Morning! *It's* TIME TO EAT!

Farmers and marketing men can promote good breakfast habits and thus increase the demand for farm products.

by DR. MARY M. HILL

STUDIES REVEAL that all individuals, particularly growing children, can work and play best if they have from a fourth to a third of their daily food requirement at the start of the day. Food habit studies show that far too many children and adults either skip breakfast or eat an inadequate one. Good breakfast habits are important if a good diet is to be obtained.

For school children, desirable food practices are stressed for a number of reasons:

1. There is abundant evidence to show that good nutrition promotes good health and that malnutrition can be an obstacle to learning.

2. The food needs of school children for growth and activity in comparison to body size are greater than they will be later in life.

3. Children can expect to have a longer time than their parents in which to reap the benefits of good nutrition.

4. These children are the parents of the next generation. If tomorrow's children are to be physically equipped to cope with a new age, they must have good heritage.

3. Habits are most easily modified (if necessary) when children are young.

6. Habits established early in life have a good chance to carry over into adulthood.

7. Teaching school children at home to eat an adequate morning meal can be guided or reinforced by school activities. This kind of teaching can be provided over a long enough period to promote behavioral changes in eating habits, if they are needed.

Recommended daily allowances by age and sex for selected important nutrients have been suggested by the National Research Council, National Academy of Science. These recommended daily allowances have been translated into servings of food by the nutritionists in the Institute of Home Economics, U. S. Department of Agriculture. "Essentials of an Adequate Diet" and "Food for Fitness—a daily food guide" present information on selecting nutritionally adequate diets.

Surveys of food habits of school children reveal that a meal in the morning is essential if the recommended allowances of nutrients for the day are to be met.

For example, if milk is not in-

The author is a nutritionist in the Institute of Home Economics, Agricultural Research Service, USDA.

cluded in the morning meal, children often fail to get the needed amount in the course of the day. By the same token, if some good source of vitamin C is not included, children usually do not make it up during the day. Citrus fruit or tomato juice in the morning is an easy way to get the needed vitamin.

Some children are not especially partial to foods most often suggested for breakfast. If too much parental pressure is exerted, these youngsters may rebel and eat little if any breakfast.

In this land of abundance, such a good job has been done in the production, processing, and distribution of the wide variety of foods that make up our food supply that it is not necessary for youngsters to eat a stereotype breakfast to be adequately fed.

If the homemaker has a knowledge of nutritional needs and food sources to meet these needs, her youngsters can have as much variety in the morning meal as in any other. Furthermore, their choices can be consistent with cultural or regional food patterns as well as individual food preferences.

For example, the first grader who prefers to eat a peanut butter sandwich, a serving of custard pudding, a glass of milk and then to go off with an orange to eat on the schoolbus or for "recess," is as well-prepared to start the day's activities as is the first grader who eats a more usual breakfast.

Food habit studies also show that many boys and girls from about grade six on through high school report increasingly poor breakfast habits. "I don't like breakfast" and "I haven't time to eat in the morning" are reasons often given by boys and girls for skipping the morning meal.

The older youngster who may want nothing unless he can have a frankfurter or hamburger with "the works" along with his fruit juice and milk is probably not rebelling against breakfast but against the same breakfast day after day. There is nothing wrong with his selection unless his parents find it too expensive. In that case, it could be an occasional choice.

Teenagers who either dawdle in the morning or simply do not get up in time to eat may learn to do so if convinced that food really makes a difference in how they look and how active they can expect to be. It helps to let them use their imaginations in combining foods they will eat. It really makes no difference whether milk is included as a beverage, on cereal, or as a cream soup.

A teenager may choose to start the day with spaghetti left over from last night's dinner, reheated in meat and tomato sauce. As long as he adds a glass of milk and perhaps a piece of fruit, he has chosen a pretty good start for the day.

There is no such thing as a "bad" breakfast! Any food in the morning is better than no food at all. But some go farther than others in meeting the day's needs. We must teach our youngsters to (1) prepare for the day's activities by eating every morning; (2) select combinations of food pleasing to them which will provide the necessary nutrients; and (3) eat enough of these foods to meet individual needs.

What can parents do?

As parents, we can set our children a good example. We can get up in time every morning to prepare for our day's activities by eating. We can learn enough about food values to select a combination of foods that provide the necessary nutrients and eat enough of these foods to meet our individual needs.

We can have a wholesome attitude toward all foods and not impose our preferences on our youngsters as long as they make suitable choices. When selections need modification, youngsters will often drink the milk or citrus juice if they can have the "Dagwood" or "Hero" sandwich.

We can also provide at home important foods included in the school lunch to help our children increase the variety of foods they eat with enjoyment.

What can teachers do?

Teachers can help young children learn to identify unfamiliar foods by looking at them, feeling them, and tasting them. A child will often taste a previously rejected food if other children are tasting it. Teachers can also set a good example with positive attitudes toward the foods studied in class or served in the school lunch.

Teachers working with older children may find many whose early food habits were questionable and have deteriorated with adolescence. Well-conducted animal demonstrations have proved effective in convincing such youngsters that changes in food habits are needed.

Both boys and girls can learn that they can control to some extent how they look, how well they feel, and to some degree how long they can expect to live by the food they select to eat, the kind and amount of activity they engage in, and the amount of rest they get each day.

School children represent almost a quarter of our population. The Office of Education estimates that 44,303,000 students were enrolled in public and private, elementary and secondary schools in the 1960-61 academic year.

Literally millions of these children are well-fed and should be encouraged to understand, strengthen, and maintain their good habits.

However, we—as a nation—are concerned with the health and welfare of every last one of our youth. Too many are not starting the day with enough of the right kinds of foods.

Some, the little ones, need guidance and encouragement in establishing good habits; others, the older ones, need help in substituting good for long-established poor practices. The challenge is great, but the target is clear—a good breakfast for every school child.

by DONALD R. STOKES

Trends and prospects for

PREPACKAGING POULTRY AT PROCESSING PLANTS

Prepackaging poultry at the processing plant would make it possible to dress up the packs in specially designed and attractive packages. In addition to the standard package of the cut-up parts of the whole chicken, the processor can pack some "3-legged" chickens and split-halves for broiling.

Processors can prepackage poultry cheaper and more efficiently on an assembly line basis, taking advantage of automatic machinery and equipment and labor-saving handling methods.

At least four-fifths of the one and a half billion birds produced annually in this country are prepackaged in some form. Most of this is done in retail stores. But there is a growing interest on the part of retailers and processors to have the job done at processing plants, marketing research shows.

Some chainstores in Georgia are purchasing prepackaged broilers from processors in their State. Processors are prepackaging poultry on the West Coast, in Arkansas, in the New England area, and in the Delaware-Maryland-Virginia region for distribution to nearby retailers.

The reason for this is that it is cheaper and more efficient to prepackage on an assembly line basis, taking advantage of automatic packaging machinery and equipment and labor-saving handling methods.

The shift in prepackaging, from the retail level to the processing level, may well proceed gradually over the next several years. It will certainly not come overnight.

Perhaps the main reason why poultry is not now more widely prepackaged is due to retailers' hesitancy to pay the premium for this service. If it is more efficient to prepackage poultry at the processing level, why does the retailer think he has to charge more for it than if he packaged it at his own store?

One reason is that he often does not know what his cost is for packaging poultry and produce. It is

(continued on page 16)

PAC ACT

Protects Growers from Unfair Trade Practices

by JOHN J. DIMOND

On a hot August day last summer, a letter reached the office of the Agricultural Marketing Service in Winter Haven, Florida. The letter was from a watermelon grower who wanted to file a complaint under the Perishable Agricultural Commodities Act — the PACA.

Let's call the author of the letter John Waters, although that's not his real name. His case offers a fine example of how PACA protects produce growers against unfair trade practices.

Back in April, John had made a verbal agreement with a local grower's agent to handle his watermelons. At the time, John figured he had made a good deal because he understood the agent was guaranteeing him at least 1½ cents per pound for his watermelons.

John felt even better about the deal during the shipping season when melon prices hit a record low.

When the season was over and the returns started coming in, John found he was not getting the guaranteed price after all. In fact, his returns averaged about one-half cent per pound.

To top the whole thing off, John's figures showed that the agent had not paid him for all the melons John had delivered. That's when John Waters wrote his letter to the PACA office in Winter Haven.

John figured he needed help on two counts and his letter to the PACA office explained this. He also sent along copies of his personal records. He had a count of the melons cut each day in his fields and delivered to the agent. Most important, he had a complete file of weight tickets from a public scale.

When John's letter and records arrived, the PACA men evaluated his case. They found that he did not have a written contract to show he was guaranteed a return of at least 1½ cents per pound on his melons. But his records on the number and weight of the melons delivered to the agent were complete enough so that a PACA man would be able to find out whether he had been paid for all melons delivered.

One of the field men visited John's area. He talked with John and other local growers.

The next stop for the PACA man was the office of the grower's agent. He discussed John's claim and got the agent's side of the story. The agent denied that he had guaranteed any price and insisted that John's melons were supposed to be handled under his regular grower's agreement.

The PACA man checked the records to see if the returns to John represented the reasonable market value of the melons. They did. The investigator also found this was the type of agreement the agent had with other local growers.

Since John claimed he had been guaranteed a certain price, the burden of proving this fell on him. He did have witnesses to the original discussion but they were not sure just what had been agreed upon. Without a written contract, John was not able to prove that his version was correct.

John did get paid for all the melons he delivered to the agent. The PACA man checked the agent's receiving records and payment records and they balanced. But with the help of John's weight tickets it was found that in the rush of the harvest season the bookkeeper had mistakenly credited a load of John's melons to another grower.

When the mistake was discovered, the agent promptly paid John for the missing melons and the case was closed.

The PAC Act has been the fair trading standard for the produce industry since it was passed in 1930. Administered by the Fruit and Vegetable Division of the Agricultural Marketing Service, PACA serves as a referee in disputes and sets up a code of trading practices.

Everyone in the produce industry from growers' agents to large retailers is covered by the Act. Except for growers marketing their own crops, everyone who trades in produce must have a PACA license. This license can be suspended or revoked for violations of the Act.

PACA services are available free of charge to anyone who has a valid complaint under the Act. Of course, the claim must involve a fruit or vegetable transaction in interstate or foreign commerce. Disputes concerning containers, supplies, or carrier claims are not covered—just the transaction for the product.

The case of John Waters is just one of thousands of disputes that PACA handles each year. There may be only a few sacks of potatoes involved — or several thousand dollars worth of produce; but PACA tries to bring the parties involved in these disputes together and arrange an amicable settlement. Most of the complaints filed are settled in this way.

Fruit and vegetable growers can get full details on their rights and responsibilities under PACA, along with directions for filing claims, by writing for the leaflet, *the Grower and PACA*, AMS-451. Address requests to: Marketing Information Division, Agricultural Marketing Service, USDA, Washington 25.

Except for growers marketing their own crops, everyone who trades in fresh produce must have a PACA license. This license can be suspended or revoked for violations of the Act.

The author is Chief, Regulatory Branch, Fruit and Vegetable Division, AMS.

AMS livestock specialists may have answer to meat marketing problem....

WHICH LAMB CARCASS YIELDS HIGHEST PERCENTAGE OF RETAIL CUTS?

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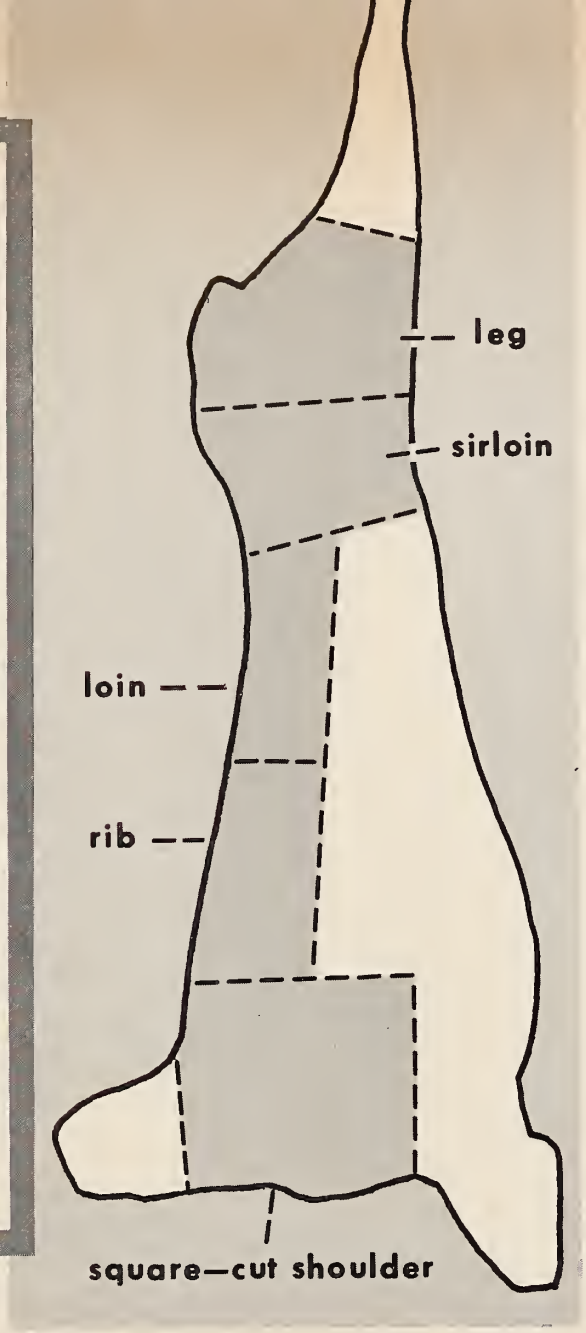


by KARL E. HOKE and ROBERT W. NORTON

IT'S NO SECRET that when Mrs. Housewife shops for her favorite cut of lamb, she looks for the package of meat that has the least amount of fat. To satisfy this demand, retailers often must trim off excess fat at considerable loss. Yet, the problem that has plagued the industry is how to identify lamb carcasses that will yield the highest percentage of high-quality, salable meat to satisfy consumer wants and still be profitable to the retailer.

Market demand for meat with less waste fat prompted AMS specialists to study the yield of trimmed retail cuts from a lamb carcass in relation to grade and weight classifications. They wanted to see whether it would be feasible to include yield differences in the Federal grade standards in order to make them more meaningful.

The specialists used numerous carcass measurements to determine what factors or combination of factors could be used most effectively in identifying high-yielding lamb carcasses. In addition, the study served as an initial step in supplying the farmer with information on which lamb carcasses will yield the highest percentage of retail cuts, thereby supplying him with information on what type of lamb to produce.

One hundred and sixty-six lamb carcasses, representing all grades, were used in the study. They were further divided into three weight groups, 55-65 pounds, 35-45 pounds, and 25-35 pounds. Chief consideration was given to the yield of the five major, closely trimmed retail cuts—leg, sirloin, loin, rib, and shoulder—since it was found that this combination represents 88-90 percent of the total monetary return from a lamb carcass.

The study showed that there is a wide range in the yield of these major retail cuts from carcasses within each grade classification. An example of this was brought out by comparing two Choice grade carcasses in the 55-65 pound group. In one, the closely trimmed retail cuts from the leg, sirloin, shoulder, loin, and rib accounted for only 59 percent of the carcass; in the other, 73 percent.

At current retail prices, this would result in a $6 difference between two 60-pound Choice carcasses.

As was expected, the differences in yield were largely due to the amount of fat removed from the carcass in the Prime, Choice, and Good grades. A tremendous overlapping between grades in the yield of major retail cuts highlighted the fact that grade alone is not a reliable factor for predicting yield. Therefore, other factors were investigated which might be useful in estimating the yield of the major retail cuts.

Fat thickness measured at the twelfth rib was the most reliable individual measurement for estimating the yield of major retail cuts for Prime, Choice, and Good grade lamb carcasses.

Percent of kidney fat and conformation also played an important role in yield determination in these grades. In the lower grade lamb carcasses, that carry little or no excess fat, conformation alone played the major role in yield determination.

By using a combination of these factors—fat thickness over the rib eye (twelfth rib), comformation, and percent of kidney fat—the AMS specialists developed an equation for estimating the yield of the five major retail cuts from a lamb carcass.

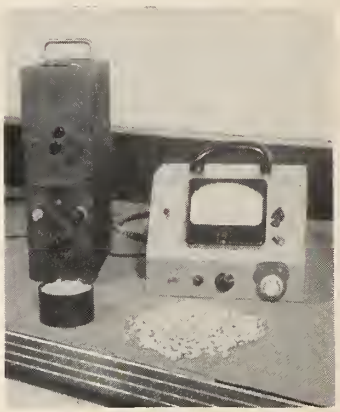
(continued on page 11)

Mr. Hoke is a staff member of the Livestock Division. Mr. Norton is a student assistant in the Marketing Information Division, AMS.

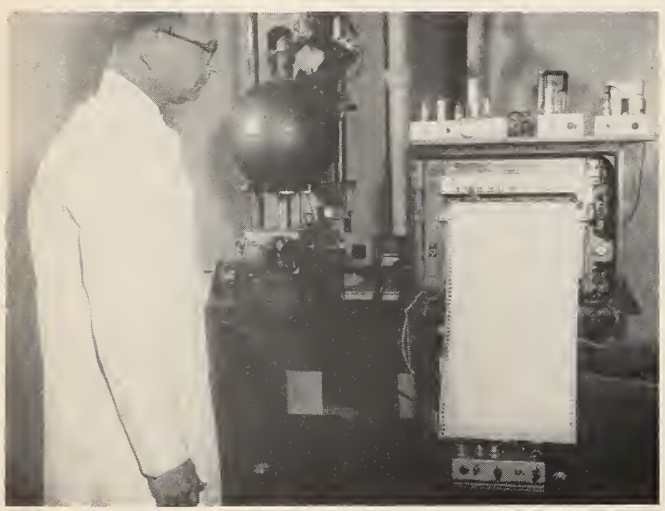
INSTRUMENTS MEASURE FOOD MARKET QUALITY

DEVELOP nondestructive, objective measures of quality—that's the assignment of a group of scientists in the Agricultural Marketing Service, U. S. Department of Agriculture. And they do this through instrumentation research. Pictured below and on the next page are some of the machines that are taking the human element out of the quality measurement and, at the same time, measuring quality without destroying the sample.

AMS researcher Michael Combs reads amount of radiation given off by beef (lower right). This measures amount of fat in the meat.



This device will measure the smut content of wheat or mold damage in corn. Sample is placed in box.



Rephobiospect is used to judge the maturity of apples.

Researcher Combs puts beef roast into radiation counter.

AMS researcher Karl Norris makes adjustment on a quality-measuring machine so new that it hasn't been named. This device will check for quality defects in a variety of food products.

The hortispect sees all and knows all about fruit maturity. Its insight—and that's exactly what it is because it peeks inside the whole fruit—is gained by measuring light transmitted through the fruit sample.

Tomato colorimeter, developed by scientists in AMS, judges juice color—an important part of the quality of tomato juice. The device is now in use in many tomato processing plants.

AMS researchers develop inexpensive and portable

"FULL BIN" Indicator for Grain Elevators

by Albert H. Graves

GRAIN ELEVATOR operators can save time and manpower during a loading operation by using a mechanical device that tells them when a bin is full. This portable "full bin" indicator, developed by AMS researchers, is inexpensive and easy to make. It takes one man one minute to install and remove the indicator from a bin.

Without this device, an elevator employee must keep a constant watch on each bin as it fills and then signal another man below to turn off the grain near the end of the filling operation.

Without either precaution, overflowing grain means plenty of labor in shoveling and cleaning up. Modern handling equipment is capable of piling up grain at a rate of 100 bushels a minute and more. In a matter of minutes an overflowing bin in an elevator gallery can spill grain the full length of the gallery belt. Overfilling a headhouse bin can clog and stop the supplying leg.

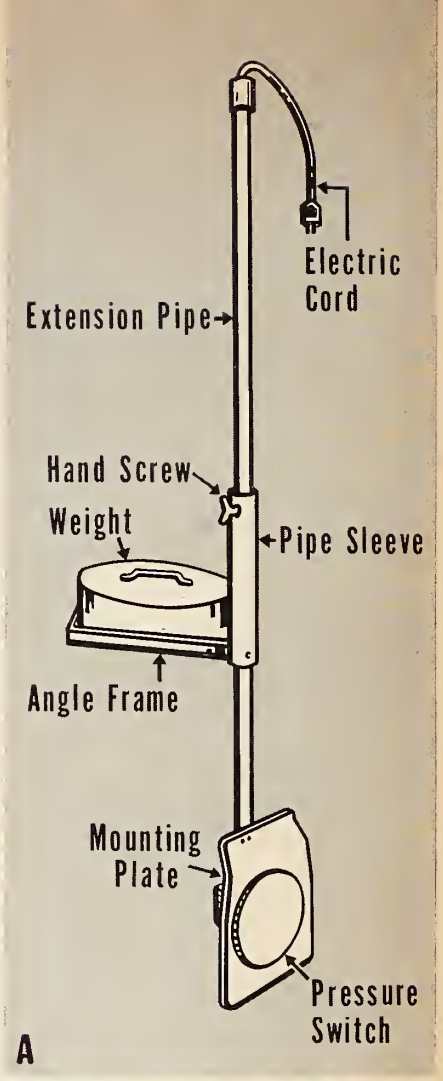
AMS engineers studying grain receiving and turning operations at various elevators were soon convinced of the need of an indicator to sound a warning when a bin was nearly full. They also knew that it had to be a device that was simple, portable, inexpensive, rugged, and of explosion-proof electrical construction.

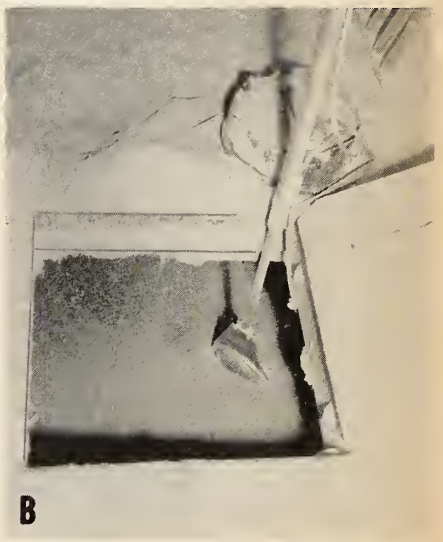
A pilot assembly was developed by the engineers. The sensing element consisted of an "on-off" electrical pressure switch actuated through a large metal disk. This element was purchased as a pre-assembled explosion-proof unit. The switch was fastened to a steel mounting plate and, in turn, to the end of a 5-foot length of ½-inch (.840-inch outside diameter) standard steel extension pipe. A short section of 1-inch pipe to serve as a sleeve was welded in an upright position to a steel angle frame.

The sleeve was fitted with a hand tightening screw so that the extension pipe could be clamped inside the sleeve. A removable weight was used to anchor the steel angle frame. An electric cord was run from the pressure switch through the ½-inch pipe to a warning horn.

The portable indicator was readied for operation by placing the angle iron holder with weight alongside the bin fill hole so that the pipe sleeve extended over the edge. The extension pipe was clamped in position so that the pressure switch projected into the bin the desired distance (anywhere from ½ to 3½ feet) but was out of the path of the grain flowing into the bin. The warning horn was placed near a station of an intercommunication system. The electric cord from the pressure switch was connected to a plug-in of the warning horn circuit.

In operation, bin filling continues so long as the grain level is below the pressure switch. The warning horn sounds as the grain level rises





(A) Pilot assembly developed by AMS engineers. The device is simple to make, portable, inexpensive, rugged, and of explosion-proof electrical construction. (B) Portable indicator in use. Bin is full and grain level has contacted switch.

and contacts the switch. With the intercom-station open, the sound is relayed to various parts of the elevator signaling the operator to shut down the filling operation.

At elevators with no intercommunication system, wiring can be extended and the warning horn placed downstairs near the driveway. This permits employees to hear the horn above the noise of the operating machinery.

A test was conducted before and after the indicator was installed. With no indicator the time required for a man to go from the elevator office (located in the headhouse at ground level) to the manlift, up the manlift, to a bin, measure the bin, and return to the office, was 5.3 minutes.

This did not include the time usually spent by the man in waiting by the bin near the end of a filling operation ready to signal another man below to turn off the grain. With a portable indicator, one man installed and removed the indicator from a bin in one minute.

The pilot assembly developed by AMS engineers proved completely satisfactory during the one season it was observed in operation. And so did similar models that were built by operators of country elevators.

Some of these operators got the same results from the indicator by attaching it to the side of the tripper spout. In this way, they did not have to carry the indicator between bins in the elevator annex.

The author is a staff member of the Transportation and Facilities Research Division, AMS, stationed in Manhattan, Kansas.

Lamb Retail Cuts

(continued from page 7)

Future studies will be conducted to test the system and develop it for possible use in identifying high yielding lamb carcasses. Only when we identify these yield differences to the producer can we expect him to produce the type of lamb carcass that will satisfy the demand for high-quality lamb with a minimum of excess fat. ■

Food Firms Increase Their Advertising Expenditures

by ROBERTA LAMB

FOOD MARKETING corporations tripled their advertising expenditures over the last 15 years, accounting for 12 percent of the total advertising bill in 1960, according to estimates of the Economic Research Service.

Advertising outlay for the food firms last year was $1.3 billion; the bill for all industries was $11.6 billion.

Food firms increased their advertising expenses faster than other segments of the economy. Between 1949 and 1960, they increased their outlay on advertising by 174 percent. The increase for the country as a whole was 123 percent.

The estimates for food marketing firms do not include noncorporate firms, trade associations, and producers' corporations.

Expenditures include product advertisements in the trade and general press, and in magazines, as well as radio and television programs. Advertising expenses also embrace such institutional or goodwill promotions as calendars and similar gifts to customers.

Manufacturers, wholesalers, and retailers all shared in the increase of advertising expenditures, though retailing expenses grew the fastest.

The retail advertising bill climbed from $41 million in 1947 to $238 million in 1958. However, manufacturers, spending $239 million on advertising in 1947 and $851 million in 1958, consistently accounted for over 70 percent of the total. The manufacturers' share of the bill declined in proportion to the increase in retail advertising.

Wholesalers maintained a relatively constant increase, rising from $37 million to $86 million over the 1947-58 period.

Part of the increase in advertising payments was caused by constantly rising media rates as well as a 59 percent rise in the number of food corporations. Introductory promotions of new products and efforts to increase the share of the market also were important reasons for the larger advertising bill.

The biggest advertisers among food corporations were fruit, vegetable, and seafood canners; bakeries; dairies; and certain multi-product corporations which turn out everything from vinegar to macaroni. Each spent $100 million or more on advertising throughout the past 12 years.

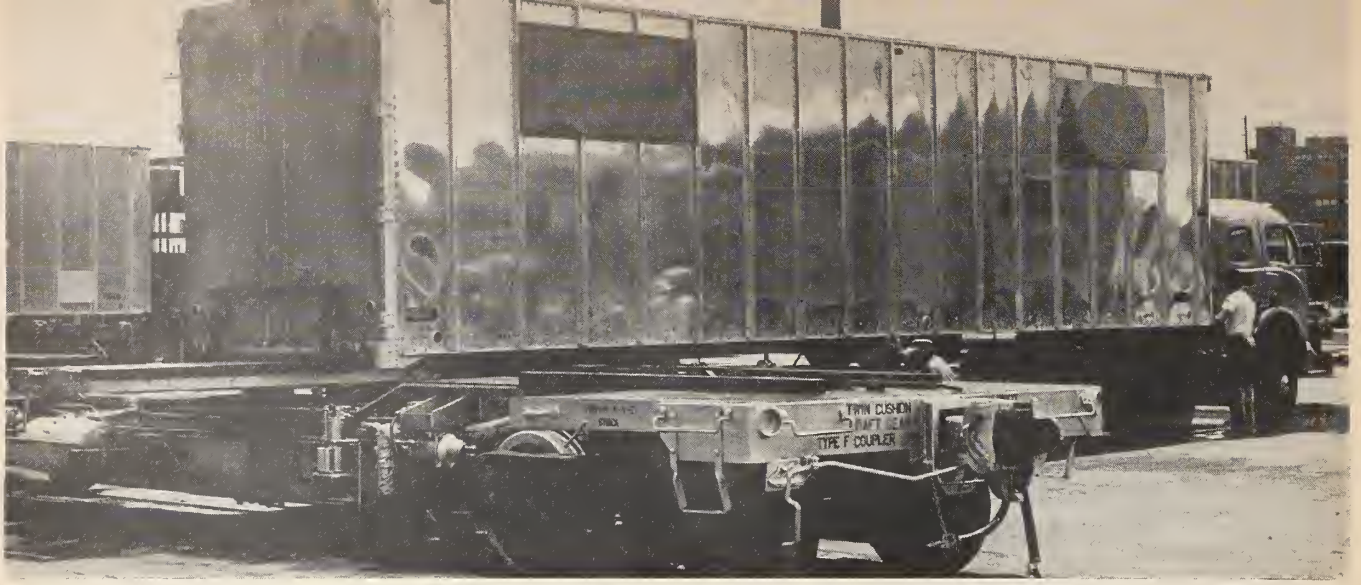
For manufacturing, the biggest corporations were the big spenders. The proportion of total sales and costs spent for advertising remained about the same for wholesalers and retailers, regardless of size.

Advertising expenses for manufacturers with assets of over $10 million—the top group—equaled 3 percent of total costs and sales in 1958. Their advertising bill was 13 percent greater than net income after taxes in the same year.

Only the cereal and multi-product food corporations spent more than 5 percent of their gross sales on advertising during any one year. Advertising expenses for cereal manufacturers with assets between $250 thousand and $1 million—the second smallest category for the food corporations—averaged 9 percent between 1949 and 1958.

In the wholesale trade, advertising ranged from 0.1 to 1.8 percent of gross sales and total costs in the study period. Advertising costs for retailers ran from 0.4 to 1.3 percent of costs and sales.

The author is a staff member of the Marketing Economics Division, Economic Research Service, USDA.



Many changes in rail service, including piggyback transportation, make it possible to offer farmers and shippers better service.

Better Rail Service

GOOD NEWS FOR AGRICULTURE

by JOSEPH R. CORLEY

ANY IMPROVEMENT in rail services is good news for agriculture. And the railroads have plenty of changes to boast about, according to transportation specialists in USDA's Economic Research Service, who keep a close watch on increased efficiencies in the marketing of farm products.

One of the big improvements in rail transportation has been the wholesale shift from steam engines to diesel electrics. The powerful diesels pull heavier loads and deliver farm products faster and in better condition. Gas turbine electric units, a further modification, offer additional advantages. They require fewer stops for refueling and are cheaper to operate.

Roller bearings are an unseen but crucial change in railroad service. Cars equipped with roller instead of friction bearings can travel faster and need less maintenance. It means quicker delivery for farm products and lower costs of transportation.

The automatic classification or "hump" yards, introduced about 1950, went a long way to unsnarling traffic problems. It took a freight car about 20 hours on the average to move through an old terminal yard; it can get through an automatic yard in something over 6 hours.

The icing process for perishables has been stepped up, too. One western railroad uses an endless belt conveyor to move ice from storage to the crusher. With this system, which eliminates much of the manual labor of icing, an 88-car train can be iced in slightly more than an hour.

High speed automatic handling of farm freight calls for an elaborate communication network to make certain traffic flows smoothly. In some yards, portable radio telephones keep trainmen and yardmen in easy contact. Some yards even use closed circuit television so the yard master can literally keep his eye on the nonstop flow of traffic.

Refrigerator cars are by now a commonplace and vital part of the transportation system for agriculture. At the beginning of 1961 over 113,000 refrigerator cars were being used to supply the country an all-season diet of perishable foods. Ice bunker cars with thermostatically controlled fans keep fragile fruits and vegetables at ideal temperatures.

Mechanical reefers can maintain a constant temperature at 70°, or push the temperature down to zero or below for frozen foods.

Bulk shipments in insulated box cars with built-in conveyor belts help speed up the flow of food. On a recent test shipment, this type of

The author is a staff member of the Marketing Economics Research Division, Economic Research Service, USDA.

car delivered potatoes in better condition than the usual method of loading 100-pound bags. Bulk handling increased the payload almost 25 percent. Loading time was reduced considerably, and the car was unloaded in about 25 minutes. Net gain to the shipper was faster delivery, less damage to his product.

Even the old boxcar has undergone radical changes. Doors are wider for easier loading with forklifts and pallets. Some models have even done away with doors altogether by having sides that roll up under the roof. Adjustable panels hold loads in position, and inflatable rubber cushions fill up empty spaces to make a solid, non-shifting load. Cushioned underframes of the cars reduce the shock of coupling, starting and stopping.

Covered hopper cars now provide a sanitary, easily loaded means of shipping bulk commodities such as grain, flour, feed, sugar, and coffee. The need for packaging is eliminated and cars can be unloaded automatically with pneumatic hoses. New models of the covered hopper cars have a capacity of 70 tons, compared with 40 tons for older ones and plans call for an 85-ton model in the near future.

Light-weight aluminum will permit heavier loading in the bigger cars.

Tank cars, too, are being made out of lighter materials for increased capacity. Tankers can be heated so that products like molasses and chocolate will flow, and they are insulated to keep fresh orange juice and other products cold on the way to market.

The railroad lines are painting livestock cars with aluminum on the outside to provide a cooler trip for the animals.

Piggyback transportation, itself a recent innovation in rail service is constantly being refined. Some piggyback systems roll the entire trailer onto a flatcar. Others use a demountable trailer body, or van container, that can be lifted from the undercarriage to flatcars with cranes or forklifts.

Still another variation on the system uses the truck-tractor power to slide the trailer body off the under-carriage to the flatcar without special hoisting equipment. The van containers permit train speeds up to 33 percent faster because the loaded cars' center of gravity is lower than with a semitrailer. Semitrailers, however, can be loaded and unloaded without cranes or special equipment. The use of refrigerated trailers and van containers provide fast "door-to-door" transportation for the shipper and a minimum of handling for his product.

These changes and many others are making it possible for the railroads to offer farmers and shippers better service. The new cars cut down on shipping damage of farm products. Improved facilities, such as automatic classification yards and central traffic control, help the lines speed our food to its destination. With better communication systems, shipments can be traced quickly and expedited on their way.

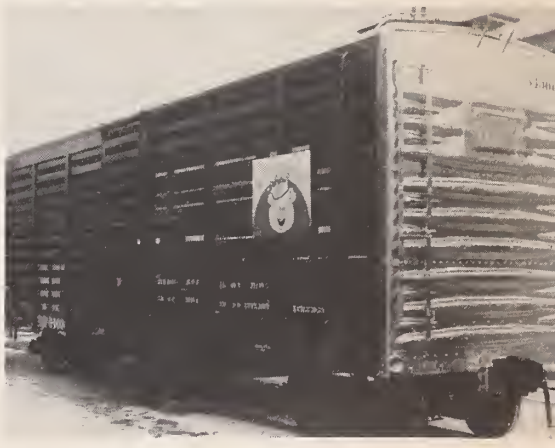
Recent agreements between connecting railroads have shortened by three days the delivery time of perishable traffic from the West Coast to the East. Piggyback transit time from Florida to northeastern cities is a day less than the normal freight schedule.

As for the future, the railroads promise more of the same improvements with better and faster service for our agricultural products.

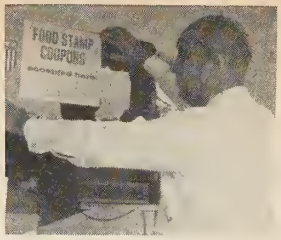
A new USDA handbook, which helps shippers select the most desirable rail protective services for their products, is now off the press and available for distribution. Single copies may be obtained from the Office of Information, U. S. Department of Agriculture, Washington 25, D. C. Ask for AH-195, "Protection of Rail Shipments of Fruits and Vegetables."

Left, tower-top view of the 58 classification tracks at Hamlet, N. C. freight yard. Right, the covered hopper car now provides a sanitary, easily loaded means of shipping bulk commodities.

Electronically controlled icing machines speed perishable shipments from field to market. The machines shown here service 2 lines of refrigerator cars at the same time and can ice each car in 90 seconds.



Revolutionary new livestock car, 40 feet long, doubled-decked, equipped with metal shutters that can be completely or partially closed for cold weather protection. Aluminum paint on roof and ends of the car reflects solar heat during hot weather.



A grocer in Kentucky loses little time in putting up his official USDA poster. At left, housewife in West Virginia uses food coupons to pay for her groceries.

FOOD STAMP PLAN GETS OFF TO A GOOD START

During opening of the food stamp program in W. Virginia, Mrs. Hale, wife of a coal miner, purchases stamps from Orville L. Freeman, the Secretary of Agriculture. At bottom left, Kentucky Governor Bert Combs gives housewife $50 worth of coupons free for her family of five. Her husband has been ill and unemployed for more than a year.

by STANLEY W. PROCHASKA

Among the crowd that had gathered June 1 in Prestonsburg, Ky., to witness the issuing of the first food coupons in Floyd County's Pilot Food Stamp Program was Mrs. Woodrow Meade.

It was hot and sultry that afternoon, but Mrs. Meade didn't mind. She had been certified for the program by the local office of the State Department of Economic Security. Before long she would have her food coupons. At the moment though, she and those crowded about her were mainly interested in hearing the name of the person who would be first in Floyd County to receive the food coupons.

She watched intently as Kentucky Governor Bert Combs and Assistant Secretary of Agriculture Frank J. Welch, flanked by State and local officials, made their way to the stamp-issuance office for a brief ceremony that was to precede the initial issuing of food coupons.

Governor Combs first read a telegram from Secretary of Agriculture Orville L. Freeman, which cited the importance of the food-stamp program, and commended State and local officials for their help in setting up the Floyd County program.

Just three days before, on May 29, Secretary Freeman had helped launch a similar program in McDowell County, West Virginia, where many people like those in Floyd County have endured hardships because of unemployment in the coal mining industry.

Then, as Governor Combs was about to resume talking, he spotted Mrs. Meade in the crowd of certified families waiting to receive stamp coupons.

"There's Roxie Meade, an old friend of mine!" exclaimed the governor. "C'mon in here, Roxie, I want you to be the first person in Floyd County to get food coupons."

Mrs. Meade came forward and joined the governor inside the stamp issuance office. There the governor handed her $50 worth of food coupons—the first to be issued in Floyd County's pilot program.

Mrs. Meade did not have to pay cash for any of the food coupons she received as she had been certified as eligible for $50 worth of free coupons. Her husband has been unemployed more than a year because of illness. They have three children.

The second person to receive food coupons was Mrs. Minnie Minnix, a widow who is supporting a daughter and four grandchildren. Assistant Secretary of Agriculture Welch handed her $50 worth of coupons, also with no cash payment required.

While Mrs. Minnix was not the first person in Floyd County to receive food coupons she could claim being the first person to buy food with the coupons.

A few minutes after receiving her coupon she was in a retail grocery store putting food items in her shopping cart. Among her purchases were milk, cottage cheese, pork liver, sausage, bacon, dry beans, corn meal, flour, bread, crackers, potatoes, dry onions, and lettuce. Her bill came to $6.65. She paid this with $6.50 worth of coupons and 15 cents in cash.

When a newspaper reporter asked Mrs. Minnix what she thought of the food stamp program she said she liked it because it enabled her to obtain a greater variety of food, and prepare better meals than were possible under the country's food-for-the-needy program. The distribution of USDA-donated foods in Floyd County ended in May, and needy persons were asked to appear at the Prestonsburg office of the State Department of Economic Security for certification for the food coupons.

While Mrs. Meade and Mrs. Minnix figured as "firsts" in the Floyd County food-stamp program, so did the First National Bank of Prestonsburg and Virgil Warrix, a Prestonsburg grocer.

Records of the U. S. Treasury Department show the Prestonsburg bank was the first in the Nation to be designated as a depositary and financial agent in the food-stamp program. As such, it holds coupons received from the U. S. Department of Agriculture for use in Floyd County and accepts cash deposits from the sale of coupons by the local stamp issuance office. This bank and others which are members of the Federal Reserve System also are authorized to redeem for cash the food coupons turned in by food retailers and wholesalers.

First grocer authorized

On May 22, Warrix became the first grocer in Floyd County to be authorized by USDA's Agricultural Marketing Service to accept food coupons in payment for food purchases. Warrix proudly put up his USDA "Food Stamp Coupons Accepted Here" poster in his store window the same day.

More than $3,800 in food coupons were issued June 1 to some 50 families in Prestonsburg that had been asked to come to the stamp-issuance office on the opening afternoon. After that families in other cities, towns, and communities in Floyd County were notified by radio, newspaper stories, and notices posted in postoffices when to appear for their coupons.

Less than a third of the $3,800 in food coupons issued the first day was paid for in cash, with the remainder being issued free.

Many families, because they have no substantial income, received their coupons without any cash payment, as did Mrs. Meade and Mrs. Minnix. On the other hand, a family of six with some income received $90 in coupons after paying for $48 worth.

Whether a family is able to pay for part of the coupons, or is unable to pay for any, is decided by the Prestonsburg office of the State Department of Economic Security.

2,000 needy families in county

What will the pilot food-stamp program mean to Floyd County? First, it is designed to provide adequate diets to an estimated 2,000 needy families in the county. (More than 1,100 families had been certified by June 1 as eligible for the food coupons, and more were being certified after the first coupons were issued.) With food coupons the needy families will have greater food-purchasing power.

This will enable them to buy a greater variety of American-produced foods and prepare well-balanced, tasty meals.

Second, grocers in Floyd County foresee increased food sales, which in turn will mean better business for food wholesalers, processors, and others who help supply food to the county. Farmers, too, will benefit because of the expanded market for their products that the Floyd County program, along with the seven other food-stamp areas, will provide.

Civic and local government leaders of Floyd County, as well as grocers, bankers, and businessmen, welcomed news early this year that their county, along with seven other areas across the nation, had been selected by the U. S. Department of Agriculture to test the effectiveness of the food-stamp program in improving the diets of low-income families. And since then, they have worked hard and enthusiastically to insure its success.

Floyd Countians have a justifiable pride in the Food Stamp Program. But what pleases them most is seeing needy families going into grocery stores and coming out with well filled market baskets.

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Plentiful Foods for September

For the third consecutive month, turkeys top the USDA Plentiful Foods List. And it looks like they'll continue to be in good supply the rest of the year.

Also in plentiful supply during September are broiler-fryers, beef, late summer vegetables, and lamb (on a regional basis).

To go with all of these meat and poultry items, the USDA recommends any of a wide variety of late summer vegetables.

* * *

Prepackaging Poultry

(continued from page 5)

not accurately calculated by most retailers. Gradually, they will come to realize they can afford to pay more to have certain packaging services performed for them.

They will have to pay a higher price for the prepackaged product, charge a lower markup, and still make a comparable net profit. This realization may come slowly, but it appears inevitable.

Retailers will have to pay the processor for the extra labor to prepackage poultry, for the extra cost of packaging materials, and for the 3 or 4 percent shrinkage which the processor must absorb. For this reason the poultry processor who contemplates going into a prepackaging program will have to develop a well-conceived marketing program.

More and more retailers are willing to participate in the necessary amount of advance planning to set up such a program. The processor must be guaranteed a steady output for his volume of birds and the retailer cannot run his stores without assurance of dependable sources of supplies. He may want more than one supplier.

There are also many other facets to consider. For instance, the processor and retailers will have to cooperate in setting up merchandising promotions. They cannot consider price alone. They should also dress up the packages and merchandise them on a quality basis. They will also need a variety of packages. A retailer can take a box of fresh poultry and package 2½ to 3-pound broilers in the standard cut-up traypack at the going retail price. However, to maximize his sales he will also process these broilers in other forms.

In addition to the standard package of the cut-up parts of the whole chicken, he will pack some "3-legged" chickens and some with two breasts. He will package giblets separately, he may package split-halves for broiling. These specials, such as the split halves for broiling and packages of legs or breast only, usually involve considerably higher profit markups than the whole bird package.

Prepackaging poultry at the processor level would make it possible to make up these special packs in specially designed and attractive packages. Processors could use a printed film which could be shrunk down around the chicken to give a nicer looking package than the homemade affair generally displayed at the retail level.

It is wise, though, to consider whether the high rate of broiler consumption can be maintained at present levels, or increased, unless further efficiencies in marketing can be reached—or unless they can be better merchandised in more functional and attractive packages.

According to studies made by USDA's Agricultural Marketing Service, the average retail margin on broilers has dropped from 11.9 to 10.4 to 9.8 cents a pound in the years of 1958 to 1960, respectively. This may continue to decline if more retailers can buy poultry already prepackaged for them by processors.

Although the processor's margin would probably rise to pay for his additional packaging cost, the total cost of marketing ought to be lower because of the increased efficiency of a mechanized operation and the reduced retail expense.

In addition, eye-catching printed wraps and new package forms created by a specialized, technically superior operation will facilitate better merchandising which, in turn, should further expand the consumption of fresh poultry.

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Growth Through Agricultural Progress